

DUSIT THANI DUSIT TB

THAILAND / TOURISM & LEISURE

BUY
 UNCHANGED

Set to reap the rewards in 2025-26

- We attended the analyst meeting on 19 March and believe DUSIT is on track for an earnings turnaround.
- Expect organic revenue of all business units to grow in 2025, with the EBITDA margin improving to 16-18% (vs 15% in 2024).
- Maintain BUY with a 2025 DCF-based TP of THB12.5/shr.

Expect revenue of all businesses to improve in 2025

Management expects hotel revenue (excl. Dusit Thani Bangkok) to grow 15-18% y-y in 2025. The OCC rate is expected to rise to 75% (vs 73% in 2024) with an ADR increase of 7%. For Dusit Thani Bangkok, they expect the OCC rate to ramp up to 56% (vs 28% in 2024) with an ADR increase of 8-10% (from THB10,730 in 2024) in 2025. Room inventory has risen to 90% of 257 rooms since Feb-25. Note that the RevPAR guidance is lower than our previous estimate by 10-15%. However, management mentioned that there is an upside to the OCC rate. For the residence project at Dusit Central Park, presales are at 88% currently, and the Dusit Parkside unit (lower floor) should start to transfer at the end of 2025.

Expect earnings to turn around in 2025 and peak in 2026

For other business, DUSIT expects education business revenue to grow 10-12% in 2025 and the EBITDA margin to improve. Meanwhile, food business revenue should grow 20-25% with an EBITDA margin of 13-15% (vs 11% in 2024). Overall, we expect core profit to turn profitable at THB20m in 2025 and peak at THB1.9b in 2026.

New residential project to boost profit after Dusit Central Park

DUSIT announced a new residential project, DUSIT Ajara Hua Hin, adjacent to Dusit Thani Hua Hin. DUSIT will develop the project on a 20-rai land plot within the 114-rai Dusit Thani Hua Hin land under a leasehold agreement (30+30 years). It will comprise 96 units ranging from 70 sqm (one bedroom) to 250 sqm (three bedroom). The project value is THB2.0b (we estimate capex of THB1.4-1.6b) and it is scheduled to start construction in 2026 to be completed in 2028. DUSIT has not yet disclosed the selling prices. Based on 12,000 sqm of saleable area and a project value of THB2.0b, this would imply selling prices of THB160-170k/sqm, relatively in line with the market prices.

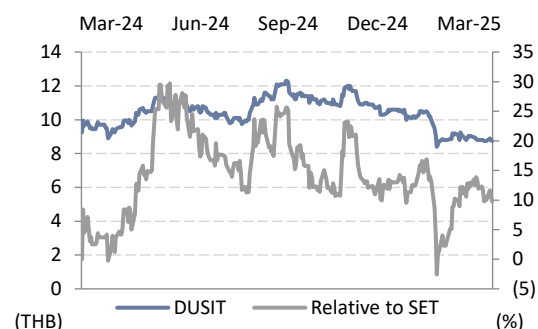
Revise down 2025 core profit

We revise down our 2025 profit estimate to THB20m from THB264m as we shift the Dusit Central Park residential transfer to 2026, and derive a new 2025 DCF-TP of THB12.5/shr. DUSIT is trading at an attractive valuation of 21x 2026E P/E (based on a recurring profit of THB350m) and 4x 2026E P/E (including profit from the residential transfer).

TARGET PRICE	THB12.50
CLOSE	THB8.75
UP/DOWNSIDE	+42.9%
PRIOR TP	THB15.00
CHANGE IN TP	-16.7%
TP vs CONSENSUS	-8.9%

KEY STOCK DATA

YE Dec (THB m)	2024	2025E	2026E	2027E
Revenue	10,109	8,013	25,793	9,109
Net profit	(237)	20	1,883	344
EPS (THB)	(0.28)	0.02	2.22	0.40
vs Consensus (%)	-	(97.7)	7.8	-
EBITDA	689	654	3,807	964
Recurring net profit	(142)	20	1,883	344
Core EPS (THB)	(0.17)	0.02	2.22	0.40
Chg. In EPS est. (%)	nm	(92.4)	9.8	nm
EPS growth (%)	nm	nm	nm	(81.7)
Core P/E (x)	(52.5)	371.0	3.9	21.6
Dividend yield (%)	-	0.2	17.7	3.2
EV/EBITDA (x)	34.8	41.6	4.2	18.5
Price/book (x)	1.0	1.0	0.8	1.1
Net debt/Equity (%)	170.5	153.3	80.8	130.5
ROE (%)	(2.7)	0.3	23.1	4.4



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(5.4)	(17.5)	(3.3)
Relative to country (%)	(2.2)	(3.1)	11.9
Mkt cap (USD m)	219		
3m avg. daily turnover (USD m)	0.1		
Free float (%)	27		
Major shareholder	Chanat family account (50%)		
12m high/low (THB)	12.40/8.30		
Issued shares (m)	850.00		

Sources: Bloomberg consensus; FSSIA estimates



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Investment thesis

DUSIT has opened its first mixed-use project, Dusit Central Park (DCP), consisting of the new flagship hotel, luxury residences and a retail shopping center at the prime central business district located opposite to Lumpini Park. The total project value is THB46b (THB17.3b for DUSIT's portion).

We expect DUSIT to turn profitable in 2025 when the DCP project starts operating and the occupancy (OCC) rate of its existing hotels reaches more than 70%. Profits should jump in 2026 when residential projects start to be transferred.

DUSIT's share price deserves to re-rate, in our view, driven by 1) the DCP project, which should drive the profitability margin, as it should capture a higher luxury segment with a higher average daily rate (ADR); and 2) a more balanced portfolio from the retail shopping mall, food business and education business.

Company profile

DUSIT operates 56 hotels and 236 villas in 19 countries with a total room count of c12,500 currently.

www.dusit.com

Principal activities (revenue, 2024)

Hotel revenue - 44.4 %
Others - 55.6 %

Source: Dusit Thani

Major shareholders

Chanat family account - 49.7 %
Central Pattana PCL - 17.1 %
Bangkok Bank - 4.1 %
Others - 29.1 %

Source: Dusit Thani

Catalysts

Key potential growth drivers include 1) a faster OCC ramp-up rate following a global tourism recovery; 2) the recovery of domestic business activities; and 3) the Dusit Central Park (DCP) mixed-use project.

Risks to our call

Downside risks to our DCF-based target price include 1) extraordinary events such as political turmoil and natural disasters; 2) a higher hotel room supply, which may result in price competition; and 3) the slower-than-expected recovery of international tourist numbers.

Event calendar

Date	Event
May 2025	1Q25 results announcement

Key assumptions

	2025E	2026E	2027E
Existing hotels - OCC rate (%)	75	75	76
Existing hotels - ADR (THB)	4,374	4,462	4,640
Food - revenue growth (%)	20	10	10
Education - revenue growth (%)	10	3	3
DCP hotel - OCC rate (%)	56	65	70
DCP hotel - ADR (THB)	11,696	12,047	12,408
DCP retail - OCC rate (%)	80	90	95
DCP retail - rental (THB/sqm/month)	2,098	2,149	2,192

Source: FSSIA estimates

Earnings sensitivity

- For every 1% increase in the OCC rate of existing hotels, we project a 2024 profit increase of 8% and vice versa, all else being equal.
- For every 1% increase in the OCC rate of the DCP hotel, we project a 2024 profit increase of 3%, and vice versa, all else being equal.

Source: FSSIA estimates

Recap: 4Q24 results review

- DUSIT booked a turnaround core profit of THB353m in 4Q24 (vs THB328m loss in 3Q24 and THB68m loss in 4Q23) thanks to a cTHB300-400m gain from transferring the retail bare shell to Suanlum Property (a JV for retail shopping center development). The result beat our estimate due to higher-than-expected EBITDA from transferring the retail bare shell.
- Including a THB36m FX gain, a -THB24m FX loss from share income from DREIT and other non-recurring¹⁾ items totaling -THB55m, the 4Q24 net profit was THB310m.

Hotel business

- Hotel revenue grew 13% y-y in 4Q24. Owned hotel revenue grew by 12% y-y, driven mainly by Thai hotels (+24% y-y). However, overseas hotel revenue fell by 5% y-y due to the lower OCC rate of Dusit Thani Maldives.
- Dusit Thani Bangkok recorded an OCC rate of 28% and ADR of THB10,780.
- Revenue from hotel management also increased by 18% y-y, driven by the performance of hotels in the Middle East, Philippines and Japan.
- The hotel EBITDA margin was flat at 28%.

Other business

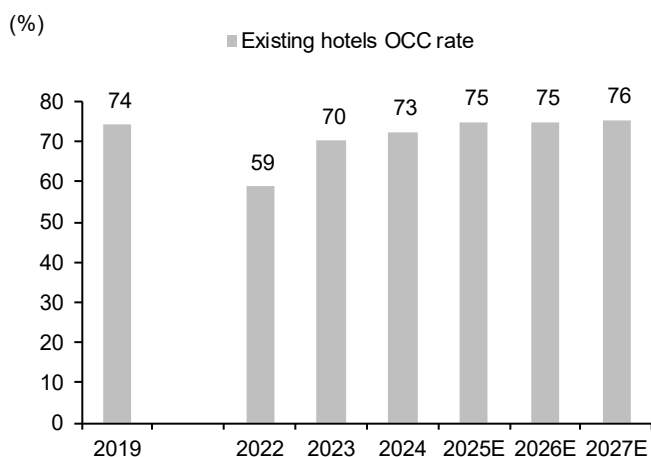
- Revenue from the education business grew by 13% y-y in 4Q24 due higher tuition fees at Dusit Thani College. The EBITDA margin improved to 17% (vs 4% in 4Q23).
- Revenue from the food business grew by 17% y-y, driven by Epicure Catering following higher student numbers after successfully signing new school contracts and the expansion to Hong Kong. The EBITDA margin of the food business improved to 16% (vs 12% in 4Q23).
- The real estate development business recorded revenue of THB3.8b in 3Q24 and EBITDA of THB623m from transferring the retail bare shell to Suanlum Property.

Overall

- EBITDA jumped to THB1.1b (vs THB326m in 4Q23) thanks to transferring retail bare shell. Excluding this item normalize EBITDA increased by 50-55% y-y.

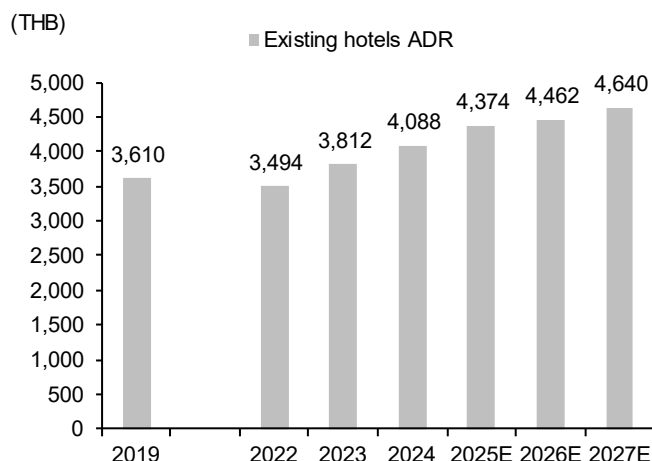
Note: 1) major non-recurring items are -THB47m estimated return to be received from investment in The Origin Dusit, -THB25m establishment costs of DREITBB, +THB35m gain on revaluation of investment property and +THB15m gain from sales at ASAI Chinatown and Sathorn.

Exhibit 1: Existing owned hotels OCC rate, yearly

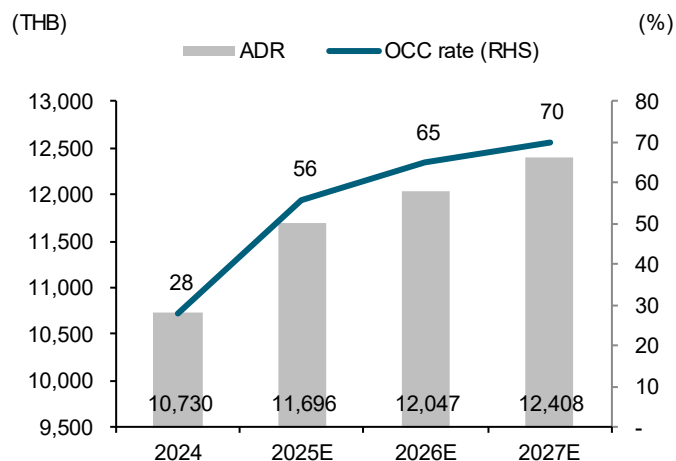


Sources: DUSIT; FSSIA estimates

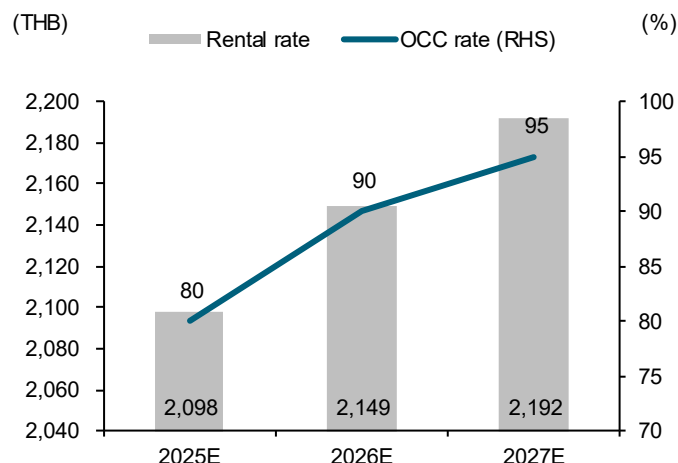
Exhibit 2: Existing owned hotels ADR, yearly



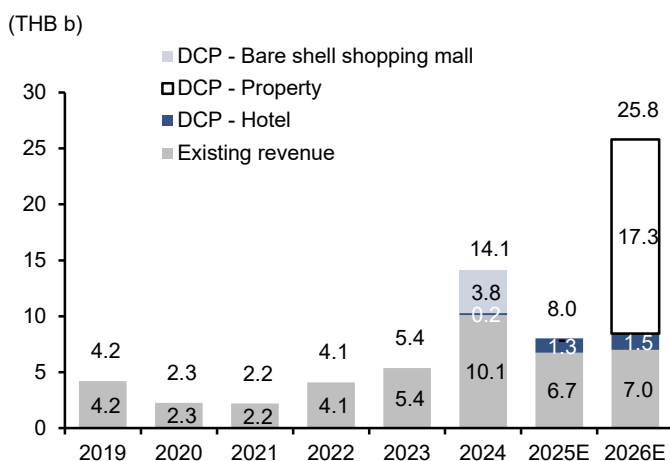
Sources: DUSIT; FSSIA estimates

Exhibit 3: DCP hotel project key assumptions

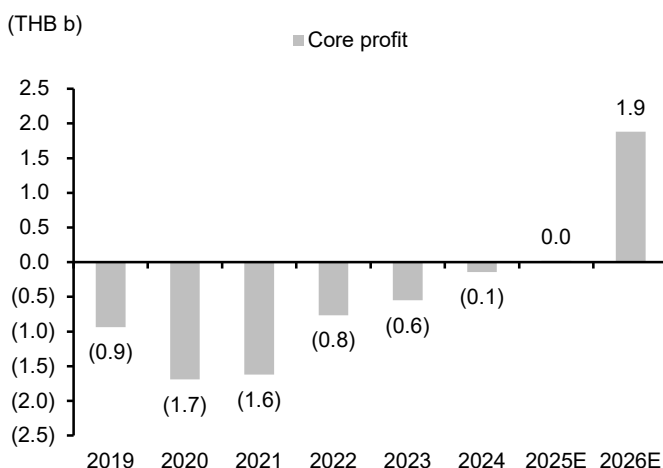
Sources: DUSIT; FSSIA estimates

Exhibit 4: DCP shopping mall project key assumptions

Sources: DUSIT; FSSIA estimates

Exhibit 5: Revenue forecast

Note: Excludes non-recurring items
 Sources: DUSIT; FSSIA estimates

Exhibit 6: Core profit forecast

Sources: DUSIT; FSSIA estimates

Exhibit 7: DUSIT Ajara Hua Hin project detail

Developer:	Dusit Ajara Company Limited
Project Value:	Approximately THB 2 billion
Location:	Adjacent to Dusit Thani Hua Hin
Land Size:	Approximately 20 Rai
Salable Area:	Approximately 12,000 sq.m.
Total Units:	96 Units
Unit Types:	1 Bedroom 70 – 90 sq.m. 2 Bedroom 120 – 180 sq.m. 3 Bedroom 250 sq.m. Penthouses
Construction:	2026
Completion:	2028

Source: DUSIT

Exhibit 8: DUSIT Ajara Hua Hin

Source: DUSIT

Exhibit 9: Comparison of DCP project and old flagship hotel

	DCP project (THB m)	DCP project (DUSIT's portion) (THB m)	Old Dusit Thani Bangkok in 2018 (THB m)
Hotel in 2026E			
OCC rate (%)	65	65	77
ADR (THB)	12,047	12,047	3,150
Revenue	1,462	1,023	840
EBITDA	294	206	180
Net profit	146	102	n/a
Residential in 2025-26E			
Revenue for residential business	17,341	12,139	-
Net profit for residential units	2,948	2,064	-
Shopping mall in 2025E			
OCC rate	90	90	-
Rental rate	2,149	2,149	-
Revenue	995	149	-
Net profit	342	51	-
Hotel management fee/Brand loyalty fee	-	73	-

Sources: DUSIT; FSSIA estimates

Exhibit 10: Forecast revisions

	Current			Previous			Change		
	2025E	2026E	2027E	2025E	2026E	2027E	2025E	2026E	2027E
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(%)	(%)	(%)
Total normalized revenue	8,013	25,793	9,109	10,399	23,558	n/a	(23)	9	n/a
Existing hotel revenue	5,241	5,345	5,610	5,207	5,311	n/a	1	1	n/a
Other business revenue	1,488	1,645	1,809	1,543	1,655	n/a	(4)	(1)	n/a
DCP project revenue	1,284	18,803	1,690	3,649	16,592	n/a	(65)	13	n/a
EBITDA margin* (%)	8.2	14.8	10.6	12.0	16.1	n/a	(32)	(8)	n/a
Core profit	20	1,883	344	264	1,715	n/a	(92)	10	n/a
Key assumptions									
Existing hotel - OCC rate (%)	75	75	76	75	75	n/a	(0)	(0)	n/a
Existing ADR (THB)	4,374	4,462	4,640	4,160	4,244	n/a	5	5	n/a
DCP - OCC rate (%)	56	65	70	70	75	n/a	(14)	(10)	n/a
DCP - ADR (THB)	11,696	12,047	12,408	10,506	10,821	n/a	11	11	n/a

*Note: EBITDA margin excludes other income and non-recurring items

Source: FSSIA estimates

Exhibit 11: DUSIT – 4Q24 results summary

FY ending Dec	4Q23	1Q24	2Q24	3Q24	4Q24	----- Change -----		2024	2025E	Chg.
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)
Sales	1,602	1,810	1,372	1,260	5,667	350	254	10,109	8,013	(21)
COGS (incl depreciation)	(1,060)	(1,105)	(918)	(889)	(4,316)	386	307	(7,228)	(4,745)	(34)
Gross profit	542	705	454	371	1,351	264	149	2,880	3,267	13
SG&A	(738)	(778)	(751)	(753)	(913)	21	24	(3,155)	(3,794)	20
Operating profit	(196)	(73)	(297)	(381)	438	(215)	(324)	(274)	(527)	92
Management service income	193	174	121	117	212	82	10	623	706	13
Interest income	9	7	12	6	11	92	15	35	73	108
Realized income from deferred rental revenue	7	7	7	7	7	5	5	28	28	0
Other income	107	38	50	52	133	157	24	234	291	25
Interest expenses	(140)	(135)	(136)	(134)	(173)	29	23	(578)	(723)	25
Pretax profit	(20)	18	(244)	(334)	628	(288)	(3,260)	68	(152)	325
Income tax	(25)	(20)	5	(30)	(209)	587	737	(255)	0	
Associates	(26)	60	105	3	56	1,976	(317)	131	124	(5)
Minority interest	3	(4)	6	34	(121)	(458)	(4,591)	(85)	48	
Core profit	(68)	54	(128)	(328)	353	(207)	(620)	(142)	20	114
Extraordinaries, GW & FX	(78)	69	(3)	(210)	(43)	(80)	(45)	(95)	0	
- Gain on sale of other long-term investments	0	0	0	0	0					
- Gain on measurement of other financial assets	2	1	1	1	0	(72)	(90)			
- FX gain/loss	(97)	67	(4)	(142)	36	(125)	(137)			
- FX gain/loss from DREIT				(68)	(24)					
- Others	18	0	0	0	(55)					
Reported net profit	(146)	122	(131)	(538)	310	(158)	(313)	(237)	20	108
Outstanding shares (m)	850	850	850	850	850	0	0	850	850	0
Core EPS (THB)	(0.08)	0.06	(0.15)	(0.39)	0.41	(207)	(620)	(0.17)	0.02	114
EPS (THB)	(0.17)	0.14	(0.15)	(0.63)	0.36	(158)	(313)	(0.28)	0.02	108
COGS excl. depreciation	(829)	(878)	(690)	(651)	(4,046)	521	388	(6,264)	(3,564)	(43)
Depreciation	(231)	(228)	(228)	(238)	(270)	14	17	(964)	(1,181)	23
EBITDA	326	441	225	(28)	1,126	(4,080)	245	1,740	1,877	8
Key ratios	(%)	(%)	(%)	(%)	(%)	(ppt)	(ppt)	(%)	(%)	(ppt)
Gross margin	34	39	33	29	24	(6)	(10)	28	41	(5)
SG&A/Revenue	46	43	55	60	16	(44)	(30)	31	47	(21)
EBITDA margin	19	24	16	(2)	19	22	0	17	23	2
Net profit margin	(9)	7	(10)	(43)	5	48	15	(2)	0	8
Operating stats										
Hotel revenue growth y-y (%)	23	24	15	0	13					
Education revenue growth y-y (%)	(20)	4	(6)	14	13					
Foods revenue growth y-y (%)	25	20	33	7	17					
Occupancy (%)	73	81	70	67	72					
ADR (THB/night)	4,230	4,828	3,531	3,371	4,462					
RevPar (THB/night)	3,096	3,932	2,485	2,241	3,202					

Sources: DUSIT; FSSIA estimates

Exhibit 12: DCF valuation

Cost of equity assumptions		(%)	Cost of debt assumptions		(%)
Risk-free rate		3.0	Pre-tax cost of debt		3.5
Market risk premium		8.0	Marginal tax rate		20.0
Stock beta		1.3			
Cost of equity, Ke		13.4	Net cost of debt, Kd		2.8
Weight applied		50.0	Weight applied		50.0
WACC		8.1			

DCF valuation estimate	(THB b)	(THB/share)	Comments
NPV	14.9	17.6	WACC 8.1%, risk-free rate 3%, risk premium 8%
Terminal value	11.9	14.0	Terminal growth 3%
DCP residential business	1.3	1.6	Project value of THB17.0b with EBITDA margin of 18-22% / DUSIT holds 70%
Cash & liquid assets	3.2	3.7	At end-2025E
Investments	2.2	2.6	At end-2025E
Debt	(19.5)	(23.0)	At end-2025E
Minorities	(3.4)	(4.0)	At end-2025E
Residual ordinary equity	10.6	12.5	

Source: FSSIA estimates

Exhibit 13: Peer comparisons as of 26 March 2025

Company	BBG	Rec	Share price			Market cap	PE		ROE		PBV		EV/ EBITDA	
			Current	Target	Upside		25E	26E	25E	26E	25E	26E	25E	26E
			(LCY)	(LCY)	(%)	(USD m)	(x)	(x)	(%)	(%)	(x)	(x)	(x)	(x)
Thailand														
Asset World Corp	AWC TB	BUY	2.66	5.20	95	2,508	38.1	30.4	2.4	2.9	0.9	0.9	25.6	22.2
Minor International	MINT TB	BUY	26.75	45.00	68	4,466	16.2	14.7	10.3	12.6	1.6	2.2	7.4	7.4
Central Plaza Hotel	CENTEL TB	BUY	30.00	48.00	60	1,193	22.8	19.3	8.1	9.1	1.8	1.7	12.6	11.7
Erawan Group	ERW TB	BUY	2.72	6.20	128	391	14.1	13.3	9.8	9.8	1.3	1.3	9.7	8.8
S Hotels & Resorts	SHR TB	BUY	1.97	3.80	93	208	18.7	13.7	2.3	3.1	0.4	0.4	7.4	7.0
Dusit Thani	DUSIT TB	BUY	8.75	12.50	43	219	371.0	3.9	0.3	23.1	1.0	0.8	41.6	4.2
Bound and Beyond	BEYOND TB	BUY	6.85	18.00	163	59	10.1	7.7	3.1	3.9	0.3	0.3	6.8	6.1
Thailand average						9,044	70.1	14.7	5.2	9.2	1.1	1.1	15.9	9.6
Regional														
Btg Hotels Group	600258 CH	n/a	13.99	n/a	n/a	2,150	16.8	14.9	7.6	8.0	1.3	1.2	8.6	7.9
Sh Jinjiang Intl Hotels	900934 CH	n/a	1.56	n/a	n/a	3,725	9.2	7.8	7.4	8.1	0.7	0.6	10.3	9.3
Huangshan Tourism Dev.	900942 CH	n/a	0.75	n/a	n/a	1,028	10.3	9.4	7.9	8.0	0.8	0.8	8.2	8.2
Genting Bhd	GENT MK	n/a	3.28	n/a	n/a	2,851	8.3	7.5	4.5	4.8	0.3	0.3	5.5	5.3
Huazhu Group	HTHT US	n/a	37.33	n/a	n/a	11,900	19.6	16.7	30.8	31.6	5.7	4.9	10.6	9.5
Indian Hotels	IH IN	n/a	828.55	n/a	n/a	13,429	67.9	53.6	16.4	17.7	10.3	8.9	40.6	32.9
Lemon Tree Hotels	LEMONTRE IN	n/a	136.46	n/a	n/a	1,219	53.0	36.2	17.1	20.9	7.6	6.3	20.4	16.9
Lippo Karawaci	LPKR IJ	n/a	80.00	n/a	n/a	342	7.2	6.6	8.1	7.6	0.2	0.2	n/a	n/a
Regional average						36,644	24.0	19.1	12.5	13.4	3.4	2.9	14.9	12.9
Global														
Nh Hotel Group	NHH SM	n/a	6.29	n/a	n/a	2,958	16.1	16.3	12.9	12.9	2.1	1.9	7.5	7.5
Melia Hotels International	MEL SM	n/a	6.80	n/a	n/a	1,625	10.1	9.4	17.2	16.1	1.9	1.6	7.3	7.0
Intercontinental Hotels G.	IHG LN	n/a	8,468	n/a	n/a	17,244	22.0	19.4	(30.1)	(31.2)	n/a	n/a	15.1	14.0
Whitbread	WTB LN	n/a	2,568	n/a	n/a	5,868	12.8	11.9	10.6	10.9	1.3	1.2	8.8	8.4
Accor	ACRFF US	n/a	46.01	n/a	n/a	11,211	17.5	15.0	12.2	13.6	2.2	2.1	10.9	10.0
Choice Hotels	CHH US	n/a	132.48	n/a	n/a	6,191	18.7	17.2	(283.4)	424.9	52.6	19.2	12.7	12.2
Hilton Worldwide Holdings	HLT US	n/a	234.67	n/a	n/a	56,230	29.2	25.2	(46.3)	(39.5)	n/a	n/a	17.7	16.2
Hyatt Hotels Corp	H US	n/a	125.71	n/a	n/a	12,088	41.2	29.9	9.2	14.6	3.6	3.6	13.1	12.0
Marriott International	MAR US	n/a	246.48	n/a	n/a	67,953	24.2	21.3	(76.8)	(80.3)	n/a	n/a	15.3	14.3
Global average						181,368	21.3	18.4	(41.6)	38.0	10.6	5.0	12.0	11.3
Overall average						227,056	36.5	17.6	(9.9)	21.4	4.7	2.9	14.1	11.3

Sources: Bloomberg; FSSIA estimates

Financial Statements

Dusit Thani

Profit and Loss (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Revenue	5,377	10,109	8,013	25,793	9,109
Cost of goods sold	(3,573)	(7,228)	(4,745)	(16,480)	(5,360)
Gross profit	1,804	2,880	3,267	9,313	3,749
Other operating income	-	-	-	-	-
Operating costs	(2,834)	(3,155)	(3,794)	(6,721)	(4,133)
Operating EBITDA	(129)	689	654	3,807	964
Depreciation	(901)	(964)	(1,181)	(1,214)	(1,348)
Goodwill amortisation	-	-	-	-	-
Operating EBIT	(1,030)	(274)	(527)	2,593	(384)
Net financing costs	(497)	(543)	(650)	(563)	(409)
Associates	48	131	124	181	200
Recurring non-operating income	958	1,016	1,149	1,256	1,324
Non-recurring items	(19)	(95)	0	0	0
Profit before tax	(588)	103	(28)	3,286	531
Tax	4	(255)	0	(615)	(66)
Profit after tax	(584)	(151)	(28)	2,671	465
Minority interests	14	(85)	48	(788)	(121)
Preferred dividends	-	-	-	-	-
Other items	-	-	-	-	-
Reported net profit	(570)	(237)	20	1,883	344
Non-recurring items & goodwill (net)	19	95	0	0	0
Recurring net profit	(551)	(142)	20	1,883	344
Per share (THB)					
Recurring EPS *	(0.65)	(0.17)	0.02	2.22	0.40
Reported EPS	(0.67)	(0.28)	0.02	2.22	0.40
DPS	0.00	0.00	0.02	1.55	0.28
Diluted shares (used to calculate per share data)	850	850	850	850	850
Growth					
Revenue (%)	31.7	88.0	(20.7)	221.9	(64.7)
Operating EBITDA (%)	nm	nm	(5.1)	482.0	(74.7)
Operating EBIT (%)	nm	nm	nm	nm	nm
Recurring EPS (%)	nm	nm	nm	9,294.4	(81.7)
Reported EPS (%)	nm	nm	nm	9,294.4	(81.7)
Operating performance					
Gross margin inc. depreciation (%)	33.6	28.5	40.8	36.1	41.2
Gross margin exc. depreciation (%)	50.3	38.0	55.5	40.8	56.0
Operating EBITDA margin (%)	(2.4)	6.8	8.2	14.8	10.6
Operating EBIT margin (%)	(19.2)	(2.7)	(6.6)	10.1	(4.2)
Net margin (%)	(10.2)	(1.4)	0.3	7.3	3.8
Effective tax rate (%)	0.7	376.6	15.0	19.8	20.0
Dividend payout on recurring profit (%)	-	-	70.0	70.0	70.0
Interest cover (X)	(0.1)	1.4	1.0	6.8	2.3
Inventory days	15.0	7.1	10.5	4.7	18.3
Debtor days	38.1	31.3	64.9	27.8	70.8
Creditor days	265.5	112.8	172.8	37.5	156.1
Operating ROIC (%)	(5.6)	3.2	(1.6)	8.1	(1.5)
ROIC (%)	(0.3)	(7.3)	1.6	10.0	2.9
ROE (%)	(14.6)	(2.7)	0.3	23.1	4.4
ROA (%)	(0.3)	(4.7)	1.3	8.3	2.5

* Pre-exceptional, pre-goodwill and fully diluted

Revenue by Division (THB m)	2023	2024	2025E	2026E	2027E
Hotel revenue	3,682	4,490	5,324	16,839	5,896
Others	1,694	5,618	2,688	8,955	3,213

Sources: Dusit Thani; FSSIA estimates

Financial Statements

Dusit Thani

Cash Flow (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Recurring net profit	(551)	(142)	20	1,883	344
Depreciation	901	964	1,181	1,214	1,348
Associates & minorities	-	-	-	-	-
Other non-cash items	1,526	960	(48)	788	121
Change in working capital	66	(404)	(714)	(1,401)	1,229
Cash flow from operations	1,943	1,377	439	2,485	3,042
Capex - maintenance	(3,088)	(8,818)	(3,275)	(2,019)	(1,897)
Capex - new investment	-	-	-	-	-
Net acquisitions & disposals	25	(54)	(441)	11,513	0
Other investments (net)	-	-	-	-	-
Cash flow from investing	(3,064)	(8,872)	(3,716)	9,494	(1,897)
Dividends paid	(23)	(22)	0	(14)	(1,318)
Equity finance	0	0	0	0	0
Debt finance	819	4,597	1,000	(6,000)	(2,000)
Other financing cash flows	(108)	4,761	1,910	(3,525)	(1,558)
Cash flow from financing	688	9,336	2,910	(9,539)	(4,877)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	0	0	0	0	0
Movement in cash	(433)	1,842	(367)	2,439	(3,732)
Free cash flow to firm (FCFF)	(597.04)	(6,916.21)	(2,553.55)	12,606.63	1,621.70
Free cash flow to equity (FCFE)	(410.73)	1,863.71	(367.26)	2,452.82	(2,413.16)
Per share (THB)					
FCFF per share	(0.70)	(8.14)	(3.00)	14.83	1.91
FCFE per share	(0.48)	2.19	(0.43)	2.89	(2.84)
Recurring cash flow per share	2.21	2.10	1.36	4.57	2.13
Balance Sheet (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Tangible fixed assets (gross)	26,221	34,097	37,372	27,878	29,775
Less: Accumulated depreciation	(6,013)	(6,034)	(7,215)	(8,430)	(9,778)
Tangible fixed assets (net)	20,208	28,063	30,156	19,448	19,997
Intangible fixed assets (net)	999	999	999	999	999
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	1,736	1,790	2,231	2,231	2,231
Cash & equivalents	1,710	3,552	3,184	5,623	1,892
A/C receivable	588	1,145	1,706	2,222	1,311
Inventories	111	131	74	319	84
Other current assets	662	572	231	1,984	1,138
Current assets	3,071	5,400	5,196	10,148	4,424
Other assets	1,908	2,020	2,020	2,020	2,020
Total assets	27,922	38,271	40,602	34,845	29,671
Common equity	3,440	7,209	7,230	9,099	6,651
Minorities etc.	873	1,579	3,441	703	739
Total shareholders' equity	4,313	8,788	10,670	9,802	7,390
Long term debt	12,622	16,914	17,914	11,914	9,914
Other long-term liabilities	7,327	8,520	8,520	8,520	8,520
Long-term liabilities	19,948	25,434	26,434	20,434	18,434
A/C payable	1,964	1,909	1,465	1,673	1,759
Short term debt	1,321	1,625	1,625	1,625	1,625
Other current liabilities	377	514	407	1,311	463
Current liabilities	3,661	4,048	3,497	4,609	3,847
Total liabilities and shareholders' equity	27,922	38,271	40,602	34,845	29,671
Net working capital	(979)	(575)	140	1,541	311
Invested capital	23,872	32,296	35,545	26,238	25,558
* Includes convertibles and preferred stock which is being treated as debt					
Per share (THB)					
Book value per share	4.05	8.48	8.51	10.70	7.82
Tangible book value per share	2.87	7.31	7.33	9.53	6.65
Financial strength					
Net debt/equity (%)	283.6	170.5	153.3	80.8	130.5
Net debt/total assets (%)	43.8	39.2	40.3	22.7	32.5
Current ratio (x)	0.8	1.3	1.5	2.2	1.2
CF interest cover (x)	0.2	4.4	0.4	5.4	(4.9)
Valuation	2023	2024	2025E	2026E	2027E
Recurring P/E (x) *	(13.5)	(52.5)	371.0	3.9	21.6
Recurring P/E @ target price (x) *	(19.3)	(75.1)	530.0	5.6	30.9
Reported P/E (x)	(13.1)	(31.4)	371.0	3.9	21.6
Dividend yield (%)	-	-	0.2	17.7	3.2
Price/book (x)	2.2	1.0	1.0	0.8	1.1
Price/tangible book (x)	3.0	1.2	1.2	0.9	1.3
EV/EBITDA (x) **	(159.0)	34.8	41.6	4.2	18.5
EV/EBITDA @ target price (x) **	(183.6)	39.4	46.5	5.1	21.8
EV/invested capital (x)	0.9	0.7	0.8	0.6	0.7
* Pre-exceptional, pre-goodwill and fully diluted ** EBITDA includes associate income and recurring non-operating income					

Sources: Dusit Thani; FSSIA estimates

Dusit Thani PCL (DUSIT TB)

FSSIA ESG rating


24.81 /100

Exhibit 14: FSSIA ESG score implication

Rating	Score	Implication
★★★★★	>79-100	Leading its industry peers in managing the most significant ESG risks which not only better cost efficiency but also lead to higher profitability.
★★★★☆	>59-79	A mixed track record of managing the most significant ESG risks and opportunities relative to industry peers.
★★★☆☆	>39-59	Relevant ESG materiality matrix has been constructively addressed, well-managed and incorporated into day-to-day operations, in which targets and achievements are evaluated annually.
★★☆☆☆	>19-39	Relevant ESG materiality matrix has been identified with key management in charge for progress to be followed up on and to provide intensive disclosure. Most targets are conventional and achievable.
★☆☆☆☆	1-19	The company has adopted the United Nations Sustainable Development Goals (UN SDGs), established sustainability management guidelines and fully complies with regulations or ESG suggested guidance from related organizations such as the SET and SEC.

Source: FSSIA estimates

Exhibit 15: ESG – peer comparison

	FSSIA ESG score	Domestic ratings						Global ratings					Bloomberg		
		DJSI	SET ESG	SET ESG Rating	CG score	AGM level	Thai CAC	Morningstar ESG risk	ESG Book	MSCI	Moody's	Refinitiv	S&P Global	ESG score	Disclosure score
SET100	69.20	5.34	4.40	4.40	4.76	4.65	3.84	Medium	51.76	BBB	20.87	58.72	63.91	3.72	28.17
Coverage	67.12	5.11	4.15	4.17	4.83	4.71	3.53	Medium	52.04	BB	16.97	56.85	62.09	3.40	31.94
BEYOND	24.98	--	--	--	5.00	5.00	Certified	--	39.83	--	--	--	--	--	--
CENTEL	62.78	--	Y	Y	5.00	5.00	Certified	Medium	57.54	--	--	71.56	48.00	2.93	54.19
DUSIT	24.81	--	--	--	5.00	4.00	Certified	--	46.50	--	--	--	--	--	--
ERW	39.65	--	--	--	4.00	4.00	Certified	--	54.22	--	--	51.15	21.00	3.90	--
MINT	84.43	Y	Y	Y	5.00	4.00	Certified	Medium	57.57	AA	37.00	91.18	69.00	5.00	--
SHR	25.00	--	Y	Y	5.00	5.00	--	--	--	--	--	--	--	--	--

Sources: [SETTRADE.com](https://www.settrade.com); FSSIA's compilation

Exhibit 16: ESG disclosure from the company's one report

FY ending Dec 31	FY 2022	FY ending Dec 31	FY 2022
Environmental		Governance	
Climate change policy	Yes	Board size / Independent directors (ID) / Female	12 / 8 / 6
Climate change opportunities discussed	--	No. of board meetings for the year / % attendance	11 / 95.02%
GHG scope 2 location-based policy	Yes	Company conducts board evaluations	Yes
Biodiversity policy	Yes	Number of non-executive directors on board	9
Energy efficiency policy	Yes	Director share ownership guidelines	No
Electricity used	Yes	Board age limit	No
Fuel used - crude oil/diesel	--	Age of the youngest / oldest director	55 / 86
Waste reduction policy	Yes	Number of executives / female	7 / 3
Water policy	Yes	Executive share ownership guidelines	No
Water consumption	504.12	Size of audit committee / ID	3 / 3
Social		Audit committee meetings	7
Human rights policy	Yes	Audit committee meeting attendance (%)	100
Policy against child labor	Yes	Size of compensation committee	3 / 3
Quality assurance and recall policy	Yes	Number of compensation committee meetings	5
Consumer data protection policy	Yes	Compensation committee meeting attendance (%)	100
Equal opportunity policy	Yes	Size of nomination committee / ID	3 / 3
Gender pay gap breakout	--	Number of nomination committee meetings	5
Pct women in workforce	52.08	Nomination committee meeting attendance (%)	100
Business ethics policy	Yes	Board compensation (THB m)	7.01
Anti-bribery ethics policy	Yes	Auditor fee (THB m)	2.05
Health and safety policy	Yes	<i>(KPMG PHOOMCHAI AUDIT COMPANY LIMITED)</i>	
Lost time incident rate - employees	Yes		
Training policy	Yes		
Fair remuneration policy	Yes		
Number of employees - CSR	--		
Total hours spent by firm - employee training	--		
Social supply chain management	Yes		

Source: FSSIA's compilation

Disclaimer for ESG scoring

ESG score	Methodology	Rating																			
The Dow Jones Sustainability Indices (DJSI) By S&P Global	The DJSI World applies a transparent, rules-based component selection process based on the companies' Total Sustainability Scores resulting from the annual S&P Global Corporate Sustainability Assessment (CSA). Only the top-ranked companies within each industry are selected for inclusion.	Be a member and invited to the annual S&P Global Corporate Sustainability Assessment (CSA) for DJSI. Companies with an S&P Global ESG Score of less than 45% of the S&P Global ESG Score of the highest scoring company are disqualified. The constituents of the DJSI indices are selected from the Eligible Universe.																			
SET ESG Ratings List (SETESG) by The Stock Exchange of Thailand (SET)	SET ESG quantifies responsibility in Environmental and Social issues by managing business with transparency in Governance, updated annually. Candidates must pass the preemptive criteria, with two crucial conditions: 1) no irregular trading of the board members and executives; and 2) free float of >150 shareholders, and combined holding must be >15% of paid-up capital. Some key disqualifying criteria include: 1) CG score of below 70%; 2) independent directors and free float violation; 3) executives' wrongdoing related to CG, social & environmental impacts; 4) equity in negative territory; and 5) earnings in red for > 3 years in the last 5 years.	To be eligible for SETESG inclusion , verified data must be scored at a minimum of 50% for each indicator, unless the company is a part of DJSI during the assessment year. The scoring will be fairly weighted against the nature of the relevant industry and materiality. SETESG Index is extended from the SET ESG Ratings companies whose 1) market capitalization > THB5b (~USD150b); 2) free float >20%; and 3) liquidity >0.5% of paid-up capital for at least 9 out of 12 months. The SETTHSI Index is a market capitalisation-weighted index, cap 5% quarterly weight at maximum, and no cap for number of stocks.																			
CG Score by Thai Institute of Directors Association (Thai IOD)	An indicator of CG strength in sustainable development, measured annually by the Thai IOD, with support from the Stock Exchange of Thailand (SET). The results are from the perspective of a third party, not an evaluation of operations.	Scores are rated in six categories: 5 for Excellent (90-100), 4 for Very Good (80-89), 3 for Good (70-79), 2 for Fair (60-69), 1 for Pass (60-69), and not rated for scores below 50. Weightings include: 1) the rights; 2) and equitable treatment of shareholders (weight 25% combined); 3) the role of stakeholders (25%); 4) disclosure & transparency (15%); and 5) board responsibilities (35%).																			
AGM level By Thai Investors Association (TIA) with support from the SEC	It quantifies the extent to which shareholders' rights and equitable treatment are incorporated into business operations and information is transparent and sufficiently disclosed. All form important elements of two out of five the CG components to be evaluated annually. The assessment criteria cover AGM procedures before the meeting (45%), at the meeting date (45%), and after the meeting (10%). <i>(The first assesses 1) advance circulation of sufficient information for voting; and 2) facilitating how voting rights can be exercised. The second assesses 1) the ease of attending meetings; 2) transparency and verifiability; and 3) openness for Q&A. The third involves the meeting minutes that should contain discussion issues, resolutions and voting results.)</i>	The scores are classified into four categories: 5 for Excellent (100), 4 for Very Good (90-99), 3 for Fair (80-89), and not rated for scores below 79.																			
Thai CAC By Thai Private Sector Collective Action Against Corruption (CAC)	The core elements of the Checklist include corruption risk assessment, establishment of key controls, and the monitoring and developing of policies. The Certification is good for three years. <i>(Companies deciding to become a CAC certified member start by submitting a Declaration of Intent to kick off an 18-month deadline to submit the CAC Checklist for Certification, including risk assessment, in place of policy and control, training of managers and employees, establishment of whistleblowing channels, and communication of policies to all stakeholders.)</i>	The document will be reviewed by a committee of nine professionals. A passed Checklist will move for granting certification by the CAC Council approvals whose members are twelve highly respected individuals in professionalism and ethical achievements.																			
Morningstar Sustainabilitys	The Sustainabilitys' ESG risk rating provides an overall company score based on an assessment of how much of a company's exposure to ESG risk is unmanaged. <i>Sources to be reviewed include corporate publications and regulatory filings, news and other media, NGO reports/websites, multi-sector information, company feedback, ESG controversies, issuer feedback on draft ESG reports, and quality & peer reviews.</i>	A company's ESG risk rating score is the sum of unmanaged risk. The more risk is unmanaged, the higher ESG risk is scored. <table><tr><th>NEGL</th><th>Low</th><th>Medium</th><th>High</th><th>Severe</th></tr><tr><td>0-10</td><td>10-20</td><td>20-30</td><td>30-40</td><td>40+</td></tr></table>	NEGL	Low	Medium	High	Severe	0-10	10-20	20-30	30-40	40+									
NEGL	Low	Medium	High	Severe																	
0-10	10-20	20-30	30-40	40+																	
ESG Book	The ESG score identifies sustainable companies that are better positioned to outperform over the long term. The methodology considers the principle of financial materiality including information that significantly helps explain future risk-adjusted performance. Materiality is applied by over-weighting features with higher materiality and rebalancing these weights on a rolling quarterly basis.	The total ESG score is calculated as a weighted sum of the features scores using materiality-based weights. The score is scaled between 0 and 100 with higher scores indicating better performance.																			
MSCI	MSCI ESG ratings aim to measure a company's management of financially relevant ESG risks and opportunities. It uses a rules-based methodology to identify industry leaders and laggards according to their exposure to ESG risks and how well they manage those risks relative to peers. <table><tr><td>AAA</td><td>8.571-10.000</td><td rowspan="3">Leader:</td><td rowspan="3">leading its industry in managing the most significant ESG risks and opportunities</td></tr><tr><td>AA</td><td>7.143-8.570</td></tr><tr><td>A</td><td>5.714-7.142</td></tr><tr><td>BBB</td><td>4.286-5.713</td><td rowspan="3">Average:</td><td rowspan="3">a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers</td></tr><tr><td>BB</td><td>2.857-4.285</td></tr><tr><td>B</td><td>1.429-2.856</td></tr><tr><td>CCC</td><td>0.000-1.428</td><td>Laggard:</td><td>lagging its industry based on its high exposure and failure to manage significant ESG risks</td></tr></table>	AAA	8.571-10.000	Leader:	leading its industry in managing the most significant ESG risks and opportunities	AA	7.143-8.570	A	5.714-7.142	BBB	4.286-5.713	Average:	a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers	BB	2.857-4.285	B	1.429-2.856	CCC	0.000-1.428	Laggard:	lagging its industry based on its high exposure and failure to manage significant ESG risks
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B	1.429-2.856																				
CCC	0.000-1.428	Laggard:	lagging its industry based on its high exposure and failure to manage significant ESG risks																		
Moody's ESG solutions	Moody's assesses the degree to which companies take into account ESG objectives in the definition and implementation of their strategy policies. It believes that a company integrating ESG factors into its business model and relatively outperforming its peers is better positioned to mitigate risks and create sustainable value for shareholders over the medium to long term.																				
Refinitiv ESG rating	Designed to transparently and objectively measure a company's relative ESG performance, commitment and effectiveness across 10 main themes, based on publicly available and auditable data. The score ranges from 0 to 100 on relative ESG performance and insufficient degree of transparency in reporting material ESG data publicly. <i>(Score ratings are 0 to 25 = poor; >25 to 50 = satisfactory; >50 to 75 = good; and >75 to 100 = excellent.)</i>																				
S&P Global	The S&P Global ESG Score is a relative score measuring a company's performance on and management of ESG risks, opportunities, and impacts compared to its peers within the same industry classification. The score ranges from 0 to 100.																				
Bloomberg	ESG Score	Bloomberg score evaluating the company's aggregated Environmental, Social and Governance (ESG) performance. The score is based on Bloomberg's view of ESG financial materiality. The score is a weighted generalized mean (power mean) of Pillar Scores, where the weights are determined by the pillar priority ranking. Values range from 0 to 10; 10 is the best.																			
Bloomberg	ESG Disclosure Score	Disclosure of a company's ESG used for Bloomberg ESG score. The score ranges from 0 for none to 100 for disclosure of every data point, measuring the amount of ESG data reported publicly, and not the performance on any data point.																			

Rating regarding the sustainable development of Thai listed companies, both on the SET and MAI, are publicly available on the website of the Securities and Exchange Commission of Thailand (SEC). Currently, ratings available are 1) "**CG Score**"; 2) "**AGM Level**"; 3) "**Thai CAC**"; and 4) **THSI**. The ratings are updated on an annual basis. FSSIA does not confirm nor certify the accuracy of such ratings.

Source: FSSIA's compilation

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ANALYST(S) CERTIFICATION

Teerapol Udomvej, CFA FSS International Investment Advisory Securities Co., Ltd

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Company	Ticker	Price	Rating	Valuation & Risks
Dusit Thani	DUSIT TB	THB 8.75	BUY	Downside risks to our DCF-based target price include 1) extraordinary events such as political turmoil and natural disasters; 2) a higher hotel room supply, which may result in price competition; and 3) the slower-than-expected recovery of international tourist numbers.
Asset World Corp	AWC TB	THB 2.66	BUY	Downside risks to our DCF-based target price include 1) extraordinary events such as political turmoil and natural disasters; 2) a higher hotel room supply, which may result in price competition; and 3) the slower-than-expected recovery of international tourist numbers.
Minor International	MINT TB	THB 26.75	BUY	Downside risks to our DCF-based target price include 1) extraordinary events such as political turmoil and natural disasters; 2) a higher hotel room supply and higher competition in the F&B business, which may result in price competition; and 3) the slower-than-expected recovery of international tourist numbers.
Central Plaza Hotel	CENTEL TB	THB 30.00	BUY	Downside risks to our DCF-based target price include 1) extraordinary events such as political turmoil and natural disasters; 2) a higher hotel room supply and more intense competition in the F&B business, which may result in price competition; and 3) a slower-than-expected recovery of international tourist numbers.
The Erawan Group	ERW TB	THB 2.72	BUY	Downside risks to our DCF-based target price include 1) extraordinary events such as political turmoil and natural disasters; 2) a higher hotel room supply, which may result in price competition; and 3) the slower-than-expected recovery of international tourist numbers.
S Hotels and Resorts	SHR TB	THB 1.97	BUY	Downside risks to our DCF-based target price include 1) extraordinary events such as political turmoil and natural disasters; 2) a higher hotel room supply, which may result in price competition; and 3) the slower-than-expected recovery of international tourist numbers.
Bound and Beyond	BEYOND TB	THB 6.85	BUY	Downside risks to our DCF-based target price include 1) extraordinary events such as political turmoil and natural disasters; 2) a higher hotel room supply, which may result in price competition; and 3) the slower-than-expected recovery of international tourist numbers.

Source: FSSIA estimates

Additional Disclosures

Target price history, stock price charts, valuation and risk details, and equity rating histories applicable to each company rated in this report is available in our most recently published reports. You can contact the analyst named on the front of this note or your representative at Finansia Syrus Securities Public Company Limited.

All share prices are as at market close on 26-Mar-2025 unless otherwise stated.

RECOMMENDATION STRUCTURE

Stock ratings

Stock ratings are based on absolute upside or downside, which we define as $(\text{target price}^* - \text{current price}) / \text{current price}$.

BUY (B). The upside is 10% or more.

HOLD (H). The upside or downside is less than 10%.

REDUCE (R). The downside is 10% or more.

Unless otherwise specified, these recommendations are set with a 12-month horizon. Thus, it is possible that future price volatility may cause a temporary mismatch between upside/downside for a stock based on market price and the formal recommendation.

* In most cases, the target price will equal the analyst's assessment of the current fair value of the stock. However, if the analyst doesn't think the market will reassess the stock over the specified time horizon due to a lack of events or catalysts, then the target price may differ from fair value. In most cases, therefore, our recommendation is an assessment of the mismatch between current market price and our assessment of current fair value.

Industry Recommendations

Overweight. The analyst expects the fundamental conditions of the sector to be positive over the next 12 months.

Neutral. The analyst expects the fundamental conditions of the sector to be maintained over the next 12 months.

Underweight. The analyst expects the fundamental conditions of the sector to be negative over the next 12 months.

Country (Strategy) Recommendations

Overweight (O). Over the next 12 months, the analyst expects the market to score positively on two or more of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Neutral (N). Over the next 12 months, the analyst expects the market to score positively on one of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Underweight (U). Over the next 12 months, the analyst does not expect the market to score positively on any of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.